There are several factors that contribute to poverty-socioeconomics, geographic, lack of education and skills, health, and the government all play a role in poverty. Poverty affects economic growth. Economic growth occurs when there is an increase in the market value of the goods and services that are being produced. Due to economic inequality, millions of people live in poverty. Poverty cannot decrease if people do not have the money and necessities they need in order for them to reach their full potential. For example, with an inequality curve, some people cannot receive a good education. If they do not receive a good education, they might only obtain an average job. With a low income, they are stuck in the same poverty. For many families, this is a repetitive cycle for generations in the past and the ones to come. This is referred to as intergenerational poverty.

The collaborative definitions of poverty were all great definitions. My definition of poverty is, "the state in which people have a shortage in the necessities they need for daily life." My definition is broad, while some of the definitions from the collaborative groups are more specific. To be more specific I can go on to say, that these necessities include: education, money, and shelter. Lack of education can lead to a lack of opportunities. Limited opportunities are not good because you are then bound to only a certain amount opportunities.

Memphis has high poverty levels of 28.7 percent. With 9.5 percent, Memphis also has the highest unemployment rate (Thompson, 2013). Without an occupation, there is not a source of income being made. Education is another contributing factor to these high rates. Education is not a high concern in some households. Children are not doing their best in school; some students are just barely making it. Many students try, but they simply just do not understand the work. The lack of health insurance is also another problem Memphians face. Due to high poverty levels, Memphis also has a high crime rate.

The eradication of poverty will increase economic growth and development. Productivity, human capital, division of labor, specialization, and economic interdependence are all factors that contribute to economic growth. If any one of these factors increases, economic growth increases. Human capital consists of the education, skills, and the health of workers. People living in poverty face issues with education, jobs, and healthcare. So if poverty did not exist or was lower, the human capital rate would be higher. With higher human capital, there would be a higher economic growth. Economic growth decreases the amount of poverty. Economic development is the improvement of the standards of living. Economic growth often leads to economic development.

There are many solutions that can be considered to help reduce poverty. More parents need to be involved in their child’s education. Homework tends to be harder than the lesson a child learned in class. If the child does not get the lesson, how are they to do the homework? This is where parents need to come in and try to assist their child. People also need to be taught new skills. Volunteering at certain places can help people acquire these skills. Memphis can come together, as a whole, and not separate from each other due to financial issues. Saving as much money as you can improve your chance of getting out of poverty. There is, after all, a difference between a want and a need. Breaking the cycle of poverty in your family can be a hard task, but it is not an impossible one. Many people who live in poverty end up staying in it.

Works Cited

Thompson, A., & Wolff, C. (2013 July 3). Memphis has highest unemployment rate for large metropolitan cities. *WREG.* <http://wreg.com/2013/07/03/memphis-has-highest-unemploy> ment-rate-for-large-metropolitan-cities/